

Town Council Meeting in its Capacity as
Trustees of the Amey Tucker Spencer Fund
Monday, February 1, 2016 at 6:00 P.M.
Council Chamber, Barrington Town Hall
Minutes

Trustees: June Sager Speakman, Kate G. Weymouth, Ann P. Strong, Michael W. Carroll,
Steve B. Primiano and Finance Director Kathy Raposa
Also Present: Town Manager Peter A. DeAngelis, Jr., Town Solicitor Michael Ursillo and Town Clerk
Meredith DeSisto

Trustee President Speakman called the Amey Tucker Spencer Fund to order at 6:08 PM

Mrs. Speakman asked everyone to stand and join in the Pledge of Allegiance.

ADOPT MINUTES OF JANUARY 11, 2016 MEETING

Motion by Mrs. Weymouth and seconded by Mr. Carroll to adopt the minutes of the January 11, 2016 meeting. **The motion passed unanimously, Mrs. Speakman, Mrs. Weymouth, Mrs. Strong, Mr. Carroll, Mr. Primiano and Mrs. Raposa.**

DISCUSS AND ACT ON MOTION TO TRANSFER \$400,000 FROM THE AMEY TUCKER SPENCER FUND TO THE HOUSING TRUST TO SUPPORT THE PURCHASE, REHABILITATION AND SALE OF OWNER-OCCUPIED AFFORDABLE HOMES FOR BARRINGTON RESIDENTS CONSISTENT WITH THE STRATEGY IDENTIFIED IN THE SOKOLOFF REPORT:

Motion by Mrs. Weymouth and seconded by Mrs. Speakman to transfer \$400,000 from the Amey Tucker Spencer Fund to the Housing Trust to support the purchase, rehabilitation and sale of owner-occupied affordable homes for Barrington residents consistent with the strategy identified in the Sokoloff Report. Mrs. Speakman asked for discussion. Mrs. Weymouth made the following statement:

In July of 2006, the Barrington Town Council established the Housing Board of Trustees. This is a Board made up of 7 dedicated volunteer Barrington residents, several of whom remain from the original group of appointees.

We decided at the time to establish a Housing Board of Trustees rather than a Housing Trust which would have been a separate department within Town government and would have required the cost of part-time or full time employees to administer the trust funds.

A primary mission of the Housing Board of Trustees was to oversee trust fund awards and set standards, policies and goals for the trust fund which was never funded.

To my recollection, it was never funded due in part to the timing of the Affordable Housing Act requirement that every town update their Comprehensive Plans to include strategies for meeting affordable housing goals and the unexpected emergence of the Spencer Trust Fund which seemed like such a gift at the time, to allow Barrington to move forward with their affordable housing goals without putting the onus on the taxpayer.

The Housing Board of Trustees then successfully hired a non-profit developer to oversee the design, construction and sale of 12 affordable homes at Walker Farm Lane, funded initially with the assistance of a bridge loan from the Spencer Trust. The Spencer Trust was reimbursed for the full amount loaned when the homes were sold... at least 2 of which are presently owned by long standing Barrington residents.

Since that success, the Housing Board of Trustees has been unable to act due to lack of funding. Two years ago they went before the Appropriations Committee to request the Housing Trust Fund be fully funded, but were denied for timing reasons and that there was no specific plan in place for how the funds would be used. The Housing Board of Trustees then enlisted

the services of Barbara Sokoloff Associates who developed a plan for capturing undervalued existing Barrington homes (one of the appealing strategies in the Town's Comprehensive plan), renovating, deed restricting and selling them to income eligible owners. Last year, after presenting the required plan in good time and the request being included in the Manager's budget, the Housing Board was again denied funding, this time with no clear reasoning supporting the denial.

The developer of the former Zion property has agreed to fund the Housing Trust fund with \$400,000 within 60 days of receiving a building permit. The project construction start date is projected to be in the fall of 2017. In the meantime, there still is no funding. If and when this project moves forward, the Housing Board of Trustees must hit the ground running to execute the Sokoloff plan within the state-required limit for fee-in-lieu funding.

As a member of this Council for 12 years, I wish to see the Housing Board of Trustees succeed in their mission which was established nearly 10 years ago. We should fulfill our obligation to this dedicated group so that they can implement a plan even most affordable housing opponents would agree is the most desirable strategy for realizing our goals, and provide funding for at least 2 affordable homes for current Barrington residents. It is my belief that there is no better use for Spencer Trust funds which were supposed to be disbursed over the years, than to provide housing needs for the poor and unfortunate of Barrington.

Mr. Primiano said that this was short notice for this agenda item given that we (Trustees) are about to discuss and vote on the transference of the Spencer Fund to the Rhode Island Foundation (RIF). Mr. Primiano requested that this agenda item either be withdrawn or tabled. Mrs. Weymouth explained that if the "Fund" is transferred to the RIF she is not sure if the "cash reserve" (the income), which was accumulated over time and which was supposed to be used before this time, could be accessed for this purpose. Mrs. Speakman said the reason for the timing is that at the last meeting of the Housing Board of Trustees (HBT), with Council Liaisons present, the HBT said that they were frustrated with the Trustees/Councils inability to fund their mission. Mrs. Speakman stated that this motion came from both the Liaisons and not the HBT to move the funds from the Spencer Trust to the HBT by the fall of 2017. Mrs. Speakman said that it makes sense to her that before the Fund is transferred to the RIF that this is a perfect time to move these funds to the HBT. Mrs. Strong said she echoes Mr. Primiano's comments and said that this is unconscionable. Mr. Carroll asked the Solicitor if it is possible to use the unspent income from the past. Mr. Ursillo stated that once the George Street properties were sold the Fund was infused from the payback of approximately \$258,000. Mr. Ursillo stated that it is possible to go back and use the income. Discussion ensued with what constitutes the timing of a Barrington resident, when and if, there is the use of private funds vs. government funds (which cannot be limited only to Barrington residents) for affordable housing. Discussion ensued with the definition and eligibility requirements of the "poor and unfortunate" Barrington residents. Mr. Carroll said that there are basic needs: food clothing and shelter and having affordable housing meets our basic needs of shelter. Mrs. Strong said that one problem of the affordable housing mandate is that it does not count assets and we do not know whether these individuals are "poor and unfortunate." Mr. Primiano stated that until we have defined the "poor and unfortunate" and determined what the income could be used for, we should not consider this agenda item. Lee Miller, Chair Ad Hoc Spencer Trust, pointed out that it is the income (for the "poor and unfortunate") and not the principle of the Trust that can be spent. Mr. Miller said that, at this time, he does not believe there is \$400,000 in accrued income. Mrs. Weymouth stated that the Attorney General has ruled that Spencer Trust funds could be used for affordable housing. Mrs. Weymouth asked Finance Director Kathy Raposa how much is in the income category of the Spencer Fund. Mrs. Raposa stated that there is \$523,000. Gary Morse, 2 Westwood Lane, stated that the Sokoloff Plan includes CDBG and HUD funding. Discussion ensued regarding the Sokoloff Plan and the financial qualifications of future applicants. Mr. Morse said that he is opposed to the transfer of funds to the HBT. Richard Brandon, 3 Plymouth Drive, stated that at the time of Mr. Spencer's Will there was no public assistance. He said that he believes that the RIF could determine a person's eligibility in the spirit of Mr. Spencer's Will such as, saving a person from bankruptcy or helping an individual with expensive medical expenses; these are the things that he believes is what Mr. Spencer had in mind.

Chair of the Appropriations Committee Geoff Grove, 16 Robbins Drive, stated it is unfortunate that you tied the Sokoloff Plan with the disbursement of this money. Mr. Grove said that you have put two things together, perhaps unintentionally. Mr. Grove said, addressing the Sokoloff Plan that Mrs. Weymouth stated that the Appropriations Committee denied the use for no reason. Mr. Grove said that is not true. Mr. Grove stated, (speaking for himself) that the Appropriations Committee looked at the Sokoloff Plan, it is an ill-conceived scheme that wastes an enormous amount of money. Mr. Grove said the illustration that we were given that of a \$20,000 project would disburse \$65,000 in funds in order to get that done. That is \$45,000 more than the project needs to get accomplished and he doubts that Mr. Spencer intended for the money to be used in that fashion. Mr. Grove stated it is bad planning. Daughter of Amey Tucker Spencer and Grand-daughter of Wilton Spencer Judith Churchill Meakim stated that she has the Will of Wilton Spencer and within it, it said that he wanted to help the "poor and unfortunate" people of Barrington, for the people of Barrington and by the people of Barrington. Ms. Meakim discussed Mr. Spencer's history. Ms. Meakim stated that she is in favor of RIF because it is hard for people to ask for money and it will stop face to face contact of the Barrington people. Ms. Meakim said that we are arguing over government housing and that would be so far from Grandfather Spencer's idea of helping Barrington's "poor and unfortunate." Mrs. Meakim introduced her daughter Lisa who was in the audience. Mrs. Speakman said that it is not the intent of this program to have people with an income of \$90,000 and to help them buy a house. John Cregan, 35 North Lake Drive, said that Mrs. Weymouth has a concern that the HBT have funding; but my concern is the fiduciary concerns for the Spencer Trust Fund. It is not the intent for Mr. Spencer's money to buy a house but to use it for those who have a leaky roof or overwhelming medical costs. Mr. Cregan said that he agrees with Mr. Primiano. Steve Boyajian, 21 Oak Manor Drive, said that we are moving too slowly since we have a nest egg of \$500,000 that should not even exist because we have not used the money. We have not come up with standards for 10 years. Discussion ensued with Area Median Income (AMI). Mr. Boyajian said that it is not one (1) person we (HBT) would help but with a 99 deed restriction we could help over ten (10) families of four (4); that would be over forty (40) people in 99 years. Mr. Primiano said that the HBT is asking for us to transfer money to a program that has not worked out the details. Mrs. Weymouth is not prepared to discuss the transfer of the Spencer Fund to the RIF. Mr. Primiano is not ready to resolve this issue until we decide how to manage the Trust. **Motion** by Mr. Carroll and seconded by Mrs. Weymouth to make an amendment to the motion that the funds that will be going to the HBT would be restricted to current Barrington residents. **Mrs. Weymouth withdraws her motion.** **Motion** by Mr. Carroll and seconded by Mrs. Weymouth to table both agenda items #3 and #4 and the Town Clerk will poll the Council for their availability to meet next week. Discussion ensued with deadline dates. **The motion passed unanimously.**

DISCUSS AND ACT ON TRANSFERRING THE ASSETS OF THE AMEY TUCKER SPENCER FUND (including Trust Management and "Distribution") TO THE RHODE ISLAND FOUNDATION:

Please see motion above.

PUBLIC COMMENT:

There was no public comment.

ADJOURN

Motion by Mr. Carroll to adjourn the meeting at 7:04 P.M. **The motion passed unanimously.**

Meredith J. DeSisto, Town Clerk